

MIKROSTYK'S S.A. GENERAL SALE CONDITIONS

Applicable from 1st of November 2017

1. General

1.1. These conditions have been set forth in accordance with the usual practices in force within the European Economic Area.

1.2. They define the rights and obligations of Mikrostyk S.A. and/or any of its affiliates, hereinafter referred to as "Mikrostyk S.A." and its Customer, concerning any service contract that may be entered into, whether it takes the form of a contract for the delivery of specific patterns and tooling hereinafter referred to as the "tooling" and/or of parts fabricated with said tooling.

1.3. In accordance with article of general Polish law of the commercial law, these conditions constitute the basis for sales negotiations and therefore the applicable legal basis except for the provisions for which particular conditions have been made in writing. Mikrostyk S.A. can't waive to invoke these terms in advance.

1.4. Any and all departure from these general terms shall be subject to Mikrostyk's S.A. written acceptance which refers explicitly hereto. Unless there is an express agreement to the contrary, a departure from these general terms shall only be valid in respect of the contract or the order for which it has been requested and accepted.

1.5. These conditions are communicated to the Customer which admits having taken knowledge of them before the placing of order. The posting of these terms on Mikrostyk S.A. website constitutes, according to good business practices, a form of communication of the general terms. In any event, the issuance of any firm order which is accepted by Mikrostyk S.A. entails the Customer's acceptance without reserve of these sales conditions.

1.6. Should Mikrostyk S.A. fail to invoke any of the clauses of the general terms at a given time, this shall not be construed as representing its waiver of entitlement to invoke such clause at a later date.

1.7. The fact that one of the clauses of these general terms may be null and void shall not affect the validity of the other clauses.

1.8. We understand by "paper" to the sense of the present general terms, any established document on support paper, electronic or by fax.

2. Price offer

2.1. Any request made by the Customer shall be answered by Mikrostyk S.A. by providing a written quote that contains the detailed description of the service, and the applicable particular conditions if any.

2.2. The request of quotation shall be submitted together with the technical specification which set forth the specifications which define the parts to be made in all aspects, as well as the nature and types of control, inspection and tests required, for acceptance.

2.3. The Customer shall inform Mikrostyk S.A. in advance of the existence of any specific regulations applicable to its parts, and of the obligations imposed upon Mikrostyk S.A. that are stemming from them.

2.4. The quote provided by Mikrostyk S.A. remains valid for 2 weeks, unless otherwise stipulated in the quote.

2.5. Mikrostyk's S.A. quote may not be claimed as firm, if it is not expressly accompanied by a validity deadline. The same situation also applies in each case where the customer makes modifications to the technical specifications or to the type of part, which may be supplied, to it by Mikrostyk S.A.. Any modification shall be taken into account by issuing an amendment to the quote, to be accepted by the Customer.

3. Order

3.1 Orders shall be established in writing. The contract is only formed subject to Mikrostyk S.A. express acceptance of the order. The order shall be accepted by any written means. Orders given to Mikrostyk's S.A. agents or representatives, or taken by the latter shall only be binding upon the latter once it has accepted such in writing.

3.2 The order irrevocably expresses the Customer's agreement. Consequently, it may not cancel it, unless Mikrostyk S.A. has provided its express agreement beforehand. In this case, the Customer shall compensate Mikrostyk S.A. for all the direct or indirect consequences arising there from and, in particular, for the expenses incurred in respect of specific equipment, study expenses, labour and procurement expenditure. In all cases, on-account payments which have already been made shall be definitively acquired by Mikrostyk S.A..

3.3. The changes and additions to the order, in particular as regards delivery lead-times, volumes, or the parts themselves, shall be referred to Mikrostyk S.A. for its express agreement, and the latter shall advise the Customer of the conditions and consequences as regards the terms of sale. Any modification of the order asked by the customer is subordinated to the express and written acceptance of Mikrostyk S.A., which will take into account the consequences in term of costs and deadlines.

3.4. Open order is defined as an order in which the customer takes no firm commitment on the quantity of parts or on the schedule of the services or the deliveries and which must be

followed by calls of delivery. It is limited in the time by agreed deadline which for lack of opposite agreement will be of one year. The price and the other conditions are defined on the basis of the projected quantities announced by the Customer. In case of non-compliance with the projected quantities, in the advanced schedule, Mikrostyk S.A. can modify these conditions and ask to the customer for compensation regarding the supplies and the other costs.

4. Price

4.1. Part prices are established in the offer, in euros, pre-taxes, packaging specification (cost of boxes on Mikrostyk's S.A. or Customer side) and DAP or EXW " (EXW – according to the effective Incoterm on the date when the contract is executed)

4.2. In the event of the occurrence of an event which is out of its control and which compromises the contract's balance, and at least twice a year, Mikrostyk S.A. may revise its prices on the basis of terms and conditions which shall be predetermined in the offer (in particular, in the event of changes in the price of raw materials or coatings that's consist of final product and purchased by subcontractor, the reform of customs' law, exchange rate fluctuations, legislative reform).

4.3. All changes made by the Customer to the contract may cause the prices granted to be revised.

4.4. Transport, insurance, customs, handling operations shall be at the Customer's cost, expense, risk and jeopardy; it shall be the Customer's responsibility to verify deliveries upon arrival and to take, if need be, action against the carrier or against the forwarding agent or forwarding entity, even if the delivery was carriage-paid. All derogations must refer to the Incoterms in force on the date of the order.

4.5. Mikrostyk S.A. shall supply the Customer with spare parts throughout the period of time agreed upon with the Customer, it being specified that the price of spare parts shall be commonly agreed and will take into account set up costs, raw material and component prices increases resulting from the volume of Parts ordered, as well as the specific conditioning and transportation costs.

5. Payment terms

5.1. The payment time for parts may not exceed 30 net days as from the emission of the invoice, without discount. The period agreed cannot exceed forty-five days end of month or sixty days from the date on which the invoice is issued. The application of the law does not question the shorter payment times or special payment terms before agreed with customer.

5.2. Unless otherwise expressly agreed upon, the conditions of payment for specific pattern and tooling, are as follows:

a) 30% prepayment with the order, 7 days date of the invoice;

b) 30% during performance and, at the latest, after Initial Sample Delivery, 30 days date of the invoice;

c) the remaining balance must be paid after PPAP approval, 30 days date of the invoice.

5.3. Unless otherwise agreed, the payment time for development and studies services is as follows: 50% with the order and 50% upon handing over of the results, within 30 days as from the issuance of the invoice.

5.4. Payment is only taken into account following actual receipt of funds.

6. Payment conditions of Mikrostyk S.A.

6.1. Any delay in making a scheduled payment shall, if Mikrostyk S.A. deems fit, result in:

- the suspension of all or part of the deliveries or the services.
- the termination of the contract, the immediate payment of the balance of the price and invoices on account, regardless of the supplies to which they correspond and the right to refuse any further orders.

7. Automatic debits

7.1. The Customer hereby formally agrees to refrain from any practices consisting in automatically debiting or automatically invoicing Mikrostyk S.A. for any amounts that have not been expressly acknowledged by Mikrostyk S.A. as payable according to Mikrostyk's S.A. liabilities.

7.2. Any automatic debit shall be deemed to constitute an unpaid bill giving rise to enforcement of the above provisions concerning late payment.

8. Delivery terms and lead-times

8.1. Delivery is deemed to have been made once the goods are made available in Mikrostyk's S.A. premises.

8.2. The risks relating to the parts are transferred to the Customer as from said availability, according to point 8.1.

8.3. The delivery lead-times begin to run as from the date of final acceptance of the order by Mikrostyk S.A., subject to the payment of the on-account payment for the specific patterns and tooling orders and for the development or studies orders.

Moreover, the start date for such lead-times is conditional, where applicable, upon receipt of all the items required to start performance of the contract (samples, tooling, technical documentation, and any other necessary document).

8.4. The delivery and performance lead-times provided to the Customer are defined on the basis of a schedule drawn-up by the Parties in the specifications.

8.5. In the event of a change to the schedule which is attributable to the Customer, Mikrostyk S.A. shall be entitled to request an additional payment in respect of the resulting changes and reorganization. A new schedule shall be established and the Customer may not claim any penalty from Mikrostyk S.A. in connection with a delay resulting from its own breach.

8.6. If shipment of parts is delayed for any reason outside of Mikrostyk's S.A. control, Mikrostyk S.A. may, after formal demand remained ineffective during a period of fifteen (15) days have the parts packed and carried out or stocked at the Customer's expense and risk.

9. Delays in deliveries

9.1. Delays shall not justify cancellation of the order.

9.2. A penalty for delay may only be applied if the customer proved that the delay is exclusively attributable to and that it has caused actual loss. If the Customer failed to advise Mikrostyk S.A. in writing, when the order was placed, and failed to confirm, at the scheduled delivery time, its intention of applying this penalty, the latter may not be applied.

9.3. These penalties represent fixed, discharging damages, and are exclusive of any other form of compensation.

9.4. Mikrostyk S.A. shall be automatically discharged from any and all commitment relating to delivery lead-times should the Customer fail to comply with the terms of payment, or in the event of the occurrence of a case of force majeure as defined in point 15.

10. Specific patterns and tooling

10.1. In the case of tools provided by the customer, all such tools must have a mandatory property label, should be supplied with the latest components by its tooling, band layout, tool technical documentation, safety sensors, and appropriate technical support (jig, poka yoke, GO / NOGO, gauge), thanks to which the component can be released for serial production on the press. Transfer tools must be provided free of charge to the location specified by Mikrostyk S.A..

10.1.1. The Customer is responsible for making sure that the tooling matches the drawings and specifications perfectly. If Mikrostyk S.A. deems it to be necessary to modify parts in order for them to be better produced, the costs will be charged to the Customer, written notice having been given beforehand.

10.1.2. Mikrostyk S.A. will only be in charge of preventive maintenance passed on to the Customer.

10.2. When Mikrostyk S.A. is required by the Customer to make tooling, Mikrostyk S.A. shall make or have them made. The cost of making the tooling, as well as the cost of replacing or

repairing them during the warranty period agreed, shall be paid independently of the parts supplied, in accordance with the terms of article 5.2.

10.3. The tooling and the appropriate drawings belong to Mikrostyk S.A. until full payment of the agreed price is made by the Customer. In this case, the tooling belong remains stored at Mikrostyk S.A. after the order has been completed. They shall be returned to the Client at it's or Mikrostyk's S.A.. request, in the normal wearing and ageing condition in which they are at the moment of their restitution and subject to the payment of all the amounts agreed with Mikrostyk S.A. in connection with the order.

10.4. However the Customer cannot come into possession of these tooling without having paid all the invoices owed to Mikrostyk S.A. including those which relate to the studies, patents and know-how, obsolete material related to EOL project (all info regarding each project needs to be communicated with Mikrostyk S.A 3 months before end)

10.5. Unless otherwise agreed, the tooling shall be retained free of charge for two (2) years from the date of the last delivery, unless otherwise agreed. After this deadline, they shall be put at the client's disposal with the reserve of the retention right provided for in the previous paragraph. However, the Customer can agree with Mikrostyk S.A. a storage extension in principle and associated forms. If there is no agreement, Mikrostyk S.A. may either proceed to destroy them after a deadline of three months which is running from a notice given to the Customer, or to invoice the storage, or to return the tooling carriage due.

10.6. Mikrostyk S.A. may never use the tooling referred to in the above paragraphs for a third party, except where previous written authorization is given by the Customer.

10.7 It is the customer's responsibility, which remains entirely responsible for the tooling mentioned in the above paragraphs to insure them against any deterioration or destruction at Mikrostyk's S.A. site, renouncing all recourse against Mikrostyk S.A. .

11. Transferred business of “Specific patterns and toolings” to Mikrostyk S.A.

11.1. The Customer of Mikrostyk S.A. is obliged to send all the data related to transferred tools from the previous supplier like annual volume, MOQ, 2D & 3D drawings, size of tool, technical data of special spare parts of tooling, raw material grade with width & pitch of band dimensions, last parts of production, strip layout, pitch detectors, proper devices to release mass production like poka yoke or gauges go/no go, number of tools per part as well as whole production process including packaging specification of ready part during RFQ faze. The specific CBD will be sent with the offer together with terms and condition of Mikrostyk S.A. to Customer.

11.2. If all the related data presented in point 11.1 is not completed during nomination of business to Mikrostyk S.A. or there will be given incorrect data, Mikrostyk S.A. has the right to change part price after performing a tool audit at Mikrostyk's S.A. premises or verifying ordered quantities after 6 months production by the Customer.

11.3. By Customer decision transfer of tooling from previous supplier to Mikrostyk's S.A. premises requires presents of Customer representatives together with Mikrostyk's S.A.

representatives to prepare an audit of tool & verify tool status if it's possible to restart production at Mikrostyk's S.A. premises. Additional cost of tool adaptation may be presented if documentation and condition of tool wasn't fully presented by Customer to Mikrostyk S.A.

11.4. Mikrostyk S.A. together with Customer will describe period of protection, there the Customer will not send any quality claims to Mikrostyk S.A. Action needs to be defined after completing point 11.3.

11.5. Mikrostyk S.A. will not provide any warranty of tooling in such a cases unless repair of tool has been completed by Mikrostyk S.A..

12. Reservation of title

12.1. Mikrostyk S.A. shall retain ownership of the developed and/or manufactured parts and tooling as well as of any study or other services provided in the framework of the performance of the contract until actual payment of the whole price (principal amount and incidentals).

12.2. Nevertheless, as from delivery, the Customer shall assume the risks of loss of, or damage to, the parts, and liability for any damage / loss which they may cause.

13. Intellectual property

13.1. The plans, drawing, samples, studies, offers and any other documents of any nature provided or sent by Mikrostyk S.A. shall always remain its entire property. The Customer hereby recognizes Mikrostyk's S.A. industrial and intellectual property rights in respect of the latter.

13.2. They shall be returned to it at its first request. They may not be either disclosed or used without its prior written authorization.

13.3. Any and all reproduction or representation, even if such is only partial, using any process whatsoever, of said documents, which is carried-out without Mikrostyk's S.A. written authorization will establish a fault and besides may establish a counterfeiting or an unfair competition.

13.4. Any transfer of intellectual property rights shall be subject to a separate contract between Mikrostyk's S.A. and the Customer.

13.5. Should studies, conducted at the Customer's request, or on the basis of the documents provided to the latter, not be followed by orders for parts, the expenses which may have been incurred shall be invoiced to it and the documents shall be returned.

14. Warranty

14.1. Mikrostyk S.A. commits to deliver parts which are conformable to the industrial design or technical specifications furnished by the Customer and conformable to the part-types or prototypes that it agreed.

14.2. The warranty covers exclusively the manufacturing defects noticed and admitted by Mikrostryk S.A.. This shall constitute the complete and only warranty given by Mikrostryk S.A., to the exclusion of any other express or tacit guarantee.

14.3. When providing research and development service, Mikrostryk S.A.s only liable with regard to the means and is in no case liable with respect to the result.

14.4. The warranty will not apply:

- in case of defects in terms of choice of the specifications indicated by the customers, which means that the Customer shall be the sole responsible of any structural defect or defect of raw material, except in the event that Mikrostryk S.A. was in charge of the design and/or of the choice of the raw material in which case the warrantee shall apply for the defects beforehand noticed and admitted by Mikrostryk S.A. .

- in the event of the use of parts or materials procured from another supplier on the Customer's instructions;

- where the parts are incorporated by the Customer, or by a third party, into any unit whatsoever, the Customer and third party are solely liable for the resulting adaptation, choice and adequacy. The warranty is, in particular, not granted in the event of a defect in the assembly, adaptation, design, relation and operating of the unit or the parts of the unit thus created.

- in the event of the Customer's failure to pay; the Customer may not invoke the existence of a warranty so as to either suspend or defer its payments.

14.5. Unless otherwise agreed upon, Mikrostryk S.A. undertakes to provide a warranty for its parts for a maximum of 12 months as from the delivery date.

14.6. With respect to the tooling provided by Mikrostryk S.A. for the Customer, the warranty period against design and workmanship flaws shall not exceed one (1) million shots or specific timeframe like 1-3 years unless was given different warranty for a part presented with the offer by Mikrostryk S.A., it being understood that further to this limit, Mikrostryk S.A. will only be in charge of preventive maintenance passed on to the Customer.

14.7. So as to invoke the warranty, the Customer shall advise Mikrostryk S.A., in writing and within 48 hours as from their occurrence, at the latest, of the defects which it is attributing to the parts and provide all supporting documents in respect of the reality of such defects.

14.8. If it is established that Mikrostryk S.A. is liable for defective Parts, Mikrostryk' S.A. guarantee consists, in agreement with the Customer, of:

- crediting the Customer with the value of the parts recognized as not confirming to the drawings and contract technical specifications or to the part types accepted by Mikrostryk S.A. ,

- or replacing this free of charge,

- or carrying out or having carried out a process of making the parts in question conform to the requirements.

14.9. The parts, which are replaced by Mikrostyk S.A., shall be the object of a credit note, replaced parts being invoiced at the same price as those parts which they replace. The process of making parts conform is carried out according to the methods agreed or decided by the Customer. Mikrostyk S.A. is responsible for the cost if it carries out the work itself, or must give prior agreement if the Client decides to have the work done for a price which shall be made known to Mikrostyk S.A. beforehand.

14.10. The replacement or process of making parts conform, done in agreement between Mikrostyk S.A. and the client, may not alter the strictness of the guarantee.

14.11. The parts which the Customer obtains on credit, the replaced parts or the parts to be reworked are to be returned to Mikrostyk S.A., carriage collect.

14.12. No indemnity may be claimed on any grounds whatsoever, such as for the labour required for dismantling or reassembly work, immobilization or operating expenses, carriage, accommodation and travel expenses, personal injury in connection with quality incidents which may occur.

15. Audit

With the written authorization of Mikrostyk's S.A. Management, an audit may be conducted at the manufacturing site of Mikrostyk's S.A., it being specified that this onsite audit shall be done exclusively for part quality purposes.

16. Force majeure

16.1. Mikrostyk S.A. may not be held liable for its delay or failure to comply with any of its obligations under the contract if such delay or breach is the direct or indirect consequence of an event of force majeure, understood within a wider sense, such as:

- earthquake, storm, fire, flood, etc.
- armed conflict, war, terrorist attacks,
- labour unrest, total or partial strike in Mikrostyk's S.A. or Customer's company,
- labour unrest, total or partial strike in Mikrostyk's S.A. or Mikrostyk's S.A. sub supplier's, service providers' carriers' companies, or in the postal service and public services, etc.,
- an imperative injunction from the public authorities (ban on imports, embargo),
- epidemic, pandemic, concerning Mikrostyk's S.A., its suppliers, the subcontractors or the providers, operating accidents, broken machinery, explosions,
- a breach committed by Mikrostyk's S.A. suppliers.

16.2. Mikrostyk S.A. shall inform the Customer, as soon as reasonably possible, and by registered letter with acknowledgment of receipt, of the occurrence of a case of force majeure of which it becomes aware and which, in its opinion, may affect performance of the contract.

17. Liability

17.1. The liability of Mikrostyk S.A. is strictly limited to the respect, by itself or by its subcontractors, of the contractual specifications expressly agreed. Mikrostyk S.A. will have to realize the part or the service asked by the customer, in the respect for the rules of the art of its profession.

17.2. Under no circumstances shall Mikrostyk S.A. be bound to compensate for direct and/or indirect immaterial damage / loss such as loss of operations, profit, loss of luck, loss of sales, loss of incomes, etc.

17.3. Mikrostyk S.A. shall not be held liable unless the Customer first proves the existence of damage, the existence of a fault on the part of Mikrostyk S.A. and a causal connection between said fault and the damage; in the absence of a judicial decision having force of law, said elements may be proven exclusively by means of a settlement that is negotiated and agreed to in advance, as prescribed by law.

17.4. The Customer hereby waives all recourse and warrants that its insurers and third parties in a contractual relationship with the Customer waive all recourse against Mikrostyk S.A. and the insurers thereof, beyond the limitations and exclusions determined in these general terms.

18. Termination

18.1. In the event of a serious breach or repeated breaches of its obligations under these general terms by the Customer, and without prejudice to the application of the penalties provided for above for these breaches, Mikrostyk S.A. may unilaterally terminate the Agreement, giving notice of thirty (30) calendar days, without any liability to the Customer.

18.2. Termination for convenience of an order or an agreement, occurring in the framework of an "established business relationship" as defined by the Polish law shall be subject to a reasonable prior notice which period shall not be less than six (6) months. In the event of a non-established business relationship, as defined by Polish case law, the above notice period shall not be less than three (3) months, it being agreed that such termination will have to be done in compliance with the terms of the article 17.3.

18.3. If the Customer cancels or terminates all or part of an order, for convenience, it is obliged to compensate Mikrostyk S.A. for all incurred costs and/or costs which have not been incurred in yet but resulting from commitments which can't be undone at the date of the termination notice (development and tooling pending costs or amortizations, partial reimbursement of unamortized Research and Development's contributions, repayment of specific investments made for the performance of the order, etc.), without prejudice to compensation which may be claimed by Mikrostyk S.A. for any direct and indirect monetary consequences from harm or damage of any kind to be borne by Mikrostyk S.A. due to the Customer's decision, in accordance with Polish civil code.

19. Confidentiality

19.1. The Parties reciprocally commit themselves to a general non-disclosure obligation in respect of the elements (documents on any medium whatsoever: reports on discussions, drawings, exchanges of computerized data, commercial information...) which are exchanged within the framework of the preparation and performance of the contract.

19.2. Generally, the Customer hereby acknowledges that all the confidential information whatsoever, relating to Mikrostyk S.A., is sent to it solely for the purposes of the contract and solely in order to enable it to make its decision.

19.3. Nevertheless, information which is in the public domain when the contract is executed, or which the Customer has already become aware of in a lawful manner, is not subject to the nondisclosure obligation.

20. Applicable law and jurisdiction

20.1. The law applicable to the contract is Polish law.

20.2. In the event of a dispute, the Customer undertakes to seek an amicable arrangement with Mikrostyk S.A. before any legal proceedings.

20.3. In the event that no amicable arrangement is able to be reached, the Courts having jurisdiction over Mikrostyk's S.A. registered office shall alone have jurisdiction for all claims, whether for principal pleas, third party notices or compulsory joinders of third parties, interim proceedings in order to take urgent measures and even in the event of there being more than one defendant.

20.4. Deliveries, acceptances of dispatching against reimbursement or before delivery and acceptances of payment by Mikrostyk S.A. shall not trigger the novation of or a derogation to this clause conferring jurisdiction.